

OCCUPATIONAL CODE (EXCERPT)
Act 299 of 1980

339.2601 Definitions.

Sec. 2601. As used in this article:

(a) "Appraisal" means an opinion, conclusion, or analysis relating to the value of real property but does not include any of the following:

(i) A market analysis performed by a person that is licensed under article 25 solely for the purpose of assisting a customer or potential customer in determining the potential sale, purchase, or listing price of real property or the rental rate of real property as long as a fee or any other valuable consideration is not charged for that analysis.

(ii) A market analysis of real property for a fee performed by a broker or associate broker who is licensed under article 25 that does not involve a federally related transaction if the market analysis is put in writing and it states in boldfaced print "This is a market analysis, not an appraisal and was prepared by a licensed real estate broker or associate broker, not a licensed appraiser."

(iii) An assessment of the value of real property performed on behalf of a local unit of government that is authorized to impose property taxes when performed by an assessor who is certified under section 10d of the general property tax act, 1893 PA 206, MCL 211.10d, or an individual employed in an assessing capacity.

(b) "AQB criteria" means all of the following, if applicable:

(i) The criteria established by the appraiser qualifications board of the appraisal foundation and in effect on the effective date of the amendatory act that added subparagraph (ii). The director by rule may amend the criteria described in this subparagraph if the director determines that an amendment is required for purposes of this article.

(ii) Any amendments adopted by the appraiser qualifications board of the appraisal foundation to the criteria described in subparagraph (i). The director by rule may amend the amendments described in this subparagraph if the director determines that an amendment is required for purposes of this article.

(c) "Appraiser" means an individual who is engaged in or offering to engage in the development and communication of an appraisal.

(d) "Certified general real estate appraiser" means an individual who is licensed under section 2610 to appraise all types of real property, including nonresidential real property involving federally related transactions and real estate related financial transactions.

(e) "Certified residential real estate appraiser" means an individual who is licensed under section 2610 to appraise all types of residential real property involving real estate related financial transactions and federally related transactions as authorized by the regulations of a federal financial institution regulatory agency and resolution trust corporation as well as any nonresidential, nonfederally related transaction for which the individual is qualified.

(f) "Federal financial institution regulatory agency" means the board of governors of the federal reserve system, the federal deposit insurance corporation, the office of the comptroller of the currency, the office of thrift supervision, or the national credit union administration.

(g) "Federally related transaction" means any real estate related financial transaction that a federal financial institution regulatory agency engages in, contracts for, or regulates and that requires the services of an appraiser under any of the following:

(i) 12 CFR part 323, adopted by the federal deposit insurance corporation.

(ii) 12 CFR parts 208 and 225, adopted by the board of governors of the federal reserve system.

(iii) 12 CFR parts 701, 722, and 741, adopted by the national credit union administration.

(iv) 12 CFR part 34, adopted by the office of the comptroller of the currency.

(v) 12 CFR parts 506, 545, 563, 564, and 571, adopted by the office of thrift supervision.

(h) "Limited real estate appraiser" means an individual who meets the AQB criteria for appraiser trainee and is licensed under section 2610 to perform appraisals of those properties that the state certified supervisory appraiser is permitted and competent to appraise.

(i) "Real estate related financial transaction" means any of the following:

(i) A sale, lease, purchase, investment in, or exchange of real property or the financing of real property.

(ii) A refinancing of real property.

(iii) The use of real property as security for a loan or investment, including mortgage-backed securities.

(j) "Real property" means an identified tract or parcel of land, including improvements on that land, as well as any interests, benefits, or rights inherent in the land.

(k) "Residential real property" means real property used as a residence containing a dwelling that has not more than 4 living units.

(l) "State licensed real estate appraiser" means an individual who is licensed under section 2610 to appraise real property, including, but not limited to, residential and nonresidential real property involving federally related transactions and real estate related financial transactions.

(m) "Uniform standards of professional appraisal practice" means all of the following, if applicable:

(i) Standards relating to real property adopted by the appraisal foundation and in effect on the effective date of the amendatory act that added subparagraph (ii). The director by rule may amend the standards described in this subparagraph if the director determines that an amendment is required for purposes of this article.

(ii) Any amendments adopted by the appraiser standards board of the appraisal foundation to the standards described in subparagraph (i). The director by rule may amend the amendments described in this subparagraph if the director determines that an amendment is required for purposes of this article.

History: 1980, Act 299, Imd. Eff. Oct. 21, 1980;—Am. 1990, Act 269, Imd. Eff. Oct. 17, 1990;—Am. 1994, Act 125, Imd. Eff. May 16, 1994;—Am. 1999, Act 170, Imd. Eff. Nov. 10, 1999;—Am. 2006, Act 414, Imd. Eff. Sept. 29, 2006;—Am. 2014, Act 433, Eff. Jan. 1, 2015.

Compiler's note: For transfer of powers and duties of certain occupational functions, boards, and commissions from the Department of Licensing and Regulation to the Department of Commerce, see E.R.O. No. 1991-9, compiled at MCL 338.3501 of the Michigan Compiled Laws.

Popular name: Act 299